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TAGS: <u>EAGR</u> <u>EAID</u> <u>ECON</u> <u>PREL</u> <u>AU</u>

SUBJECT: Food Security: Austria Supportive But Unable To Increase Funding For Agricultural Development

REF: (A) STATE 58996; (B) 08 VIENNA 1795

- 11. (SBU) Embassy reps shared ref A points with relevant stakeholders in Austria's MFA (Ministry of European and International Affairs) and Ministry of Agriculture / Environment. We followed up with Manfred Schnitzer from of MFA Development Assistance/Program Planning Department, who expressed strong support for USG efforts to secure global food supply. Austria is unlikely to increase "short term" expenditures for agricultural development substantially, he said. Nevertheless, the U.S. example of "multilateral cooperation on a partnership basis" serves as encouragement for Austria and others to step up engagement on this issue.
- 12. (SBU) Schnitzer shared Austrian ideas on agricultural development as part of development assistance. The GoA sees agriculture in the context of poverty reduction, giving priority to funding for marginalized and endangered populations, mostly small farmers. Moreover, Austria sees promoting organic agriculture as the best way to contribute to social and ecological sustainability in developing countries. Another key issue for Austria is defining "land rights" and "land utilization" in terms of natural resources in the Third World.
- 13. (SBU) Schnitzer welcomed our "Five Principles for Global Action on Food Security". He found only one "sensitive" issue in the "seven key areas of investment": the provision of seeds and fertilizers (NOTE: the GoA is a vocal opponent of agricultural biotechnology END NOTE). Austria opines that local "farming systems" -- and not multinational enterprises -- should be strengthened to ensure food security and "sovereignty" in developing countries.
- 14. (SBU) Embassy FAS reps met with Elfriede More, head of international agricultural affairs in the office of the Agriculture Minister, who painted a more pessimistic picture on funding. Given the tight budget situation, she would be happy just to sustain Austria's current level of spending for agricultural projects in coming years, she said.

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